GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4194
ANSWERED ON:18.08.2000
REVIVAL CASES PENDING WITH BIFR
BIKRAM KESHARI DEO;NAMDEO HARBAJI DIWATHE;PRIYA RANJAN DASMUNSI;SUBODH MOHITE

Will the Minister of FINANCE be pleased to state:

(a) the names of Private Sector Industries and Public Sector Undertakings which have been referred to BIFR, State-wise;

(b) the names of the industries out of these for which rehabilitation scheme has been sanctioned;

(c) the reasons for delay in disposing of the pending cases;

(d) the names of the industrial units for which revival cases has been rejected; and

(e) the units which have been declared close by the cabinet and which are already in the list of closure subject to the consideration of the Cabinet ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a), (b), (d) and (e) As reported by Board for Industrial and Financial Reconstruction(BIFR) 2894 references from private sector companies and 174 from public sector companies (74 Central Public Sector Undertakings (CPSUs) and 100 State Public Sector Undertakings (SPSUs) have been received and registered with the Board under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985. Out of these, rehabilitation schemeswere sanctioned for the revival of 551 private sector sick companies and 52 public sector sick companies (24 CPSUs and 28 SPSUs).

The BIFR has dismissed cases of 626 companies as non-maintainable [including 595 privatesector sick companies and 31 public sector companies (5 CPSUs and SPSUs). The BIFR has recommended 708 private sector companies and 33 public sector companies (11 CPSUs and 22SPSUs) for winding up to the concerned High Courts u/s 20(1) of the Act. In accordance with the practices and usages customary amongst public financial institutions and in conformity with the provisions of statutes governing public financial institutions as also the provisions of public Financial Institutions (obligation as to Fidelity and Secrecy)Act, 1983, further details relating to individual constituents cannot be divulged.

A State-wise break-up of these 3068 sick companies registered with the Board is given in the enclosed statement.

(c) BIFR has reported that following factors caused delay in disposal of cases by the Board. need to give an opportunity to all interested parties,hesitation on the part of banks and financial institutions to increase their exposures in the sick company.

requirement of obtaining of consent of all the agencies involved in the rehabilitation.

non-compliance or delayed compliance with the direction of the Board by the sick companies, operating agencies and financial institutions/banks.